

State of California
BOARD OF EQUALIZATION
USE FUEL TAX REGULATIONS

Regulation 1331.1. PRIVATELY OPERATED PASSENGER AUTOMOBILE AND SMALL COMMERCIAL VEHICLES — WHEN USER'S PERMIT AND TAX RETURNS ARE NOT REQUIRED.

Reference: Sections 8603, 8608, 8619, 8620, 8752, Revenue and Taxation Code.

(a) GENERAL. Any person whose sole use of fuels is for the propulsion of a privately operated passenger automobile, a commercial vehicle with unladen weight of less than 7,000 pounds, a privately operated two-axle truck which the user has leased for a period of 30-days or less or a motor vehicle that is not a qualified motor vehicle operated by an interstate user in this State, in connection with an interstate trip is not required to secure a use fuel tax permit and is excused from the filing of a use fuel tax return with the board when either of the following conditions is met:

(1) all fuel used in this state, except fuel brought into the state in the fuel tank of the vehicle, is purchased from a vendor in California who collects the tax from the user when delivering the fuel into the fuel tank of the user's vehicle, or

(2) that the flat rate fuel tax described in Regulation 1325 has been paid.

(b) DEFINITIONS.

(1) "Privately operated passenger automobile" includes a station wagon, but does not include a motor vehicle used for the transportation of persons for hire or compensation or designed, used, or maintained primarily for the transportation of property. A pickup truck used as an automobile for the private transportation of persons without the owner receiving compensation or profit for the transportation, is deemed to be a privately operated passenger automobile within the meaning of Section 8608 and Section 8752 of the Revenue and Taxation Code.

(2) "Commercial vehicle with unladen weight of less than 7,000 pounds" includes pickup trucks and other vehicles with an unladen weight of less than 7,000 pounds licensed as commercial vehicles.

(3) "Privately operated two-axle truck" means a two-axle truck in which the user does not transport persons or property for hire or compensation.

In determining whether a two-axle truck is leased for 30-days or less, the total number of consecutive days for which the same or a comparable vehicle is leased to the same lessee shall be counted. If the total number of such days exceeds 30, the truck, or trucks, shall be deemed leased for more than 30-days.

(c) USE OF FUEL IN MORE THAN ONE PRIVATELY OPERATED VEHICLE. If the conditions set forth in subdivision (a) of this regulation are met the user is not required to secure a use fuel tax permit and is relieved of filing of the use fuel tax returns even though the user operates more than one such vehicle using fuel subject to the use fuel tax. This is true whether or not the vehicle is, or the vehicles are, used for pleasure or in a business or profession, providing that the user is not also using such fuel in other motor vehicles which are not of the kind described in subdivision (a) of this regulation.

(d) PERMIT AND RETURNS REQUIRED IF FUEL FROM BULK STORAGE IS USED. Notwithstanding that a user's sole use of such fuel is in a vehicle of the kind described in subdivision (a) of this regulation or in a vehicle for which the flat rate fuel tax has been paid, the user must secure a permit and file use fuel tax returns if he is using such fuels from bulk storage acquired exempt from the use fuel tax.

History: Effective October 12, 1966.

Amended December 8, 1970, effective January 15, 1971.

Amended June 11, 1974, effective July 12, 1974.

Amended November 19, 1975, effective January 1, 1976.

Regulation 1331.1. (Continued)

Amended December 6, 1978, effective January 28, 1979. Amended and assigned subsection letters (a) thru (d) to the first four paragraphs; replaced the fifth paragraph with (e).

Amended July 27, 1983, effective November 12, 1983. Added "Small Commercial Vehicles" to title. Added language relating to commercial vehicles to first paragraph of (a) and deleted "automobile" and inserted "vehicle" in last sentence of that subdivision. Added (2) and (3) to subdivision (b). Deleted "Passenger" following "Operated" from title of subdivision (c). Deleted "first paragraph" from references and inserted "such vehicle", "vehicle", or "vehicles". Deleted subdivision (e).

Amended March 6, 1985, effective May 31, 1985. In subdivision (a), the vehicle weight is changed to 7,000 pounds from 6,000 pounds. In subdivision (b) (2), the weight is changed from 6,000 to 7,000 pounds.

Amended April 8, 1987, effective June 28, 1987. In subdivision (a), added reference to tour bus operated by out-of-state passenger carrier. In subdivision (b), added definition of "tour bus".

Amended December 9, 1998, effective May 20, 1999. In subdivision (a), deleted "diesel fuel, liquefied petroleum gas, or other" after "sole use of", added "motor vehicle that is ... interstate trip", and deleted reference to tour bus. Deleted definition of tour bus in subdivision (b)(4).